DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 04-10 MA

2. STATE: New Jersey

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2004

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
42 C.F.R. 433.68

7. FEDERAL BUDGET IMPACT:
a. FFY 2004 $ 21.5 Million
b. FFY 2005 $ 86 Million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
4.19-D, Page 125
4.19-D, Page 196

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Same
New

10. SUBJECT OF AMENDMENT:
Nursing Facility Provider Tax

11. GOVERNOR'S REVIEW *(Check One)*:

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED: Not required, pursuant to 7.4 of the Plan

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
James M. Davy

14. TITLE:
Commissioner

15. DATE SUBMITTED: 9/2/04

16. RETURN TO:
Division of Medical Assistance
and Health Services
P.O. Box 712, #26
Trenton, NJ 08625-0712

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: FEB 22 2005

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
JUL - 1 2004

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
Carmen Keller

22. TITLE:
DCN

23. REMARKS:

FORM HCFA-179 (07-92)

Instructions on Back

5. In the case of significant items, the Medicaid program may exclude the effects of legal and management changes from rates until the change is effected, and if necessary, new appraisals are made.

6. An adjustment will be permitted to the prospective payment rate that recognizes the increased cost incurred by a facility due to any State assessment on licensed nursing facilities or on services provided by licensed nursing facilities as an allowable cost for Medicaid payment purposes. No adjustment will be permitted for the cost of any provider assessment incurred by a facility for private pay patients or patients who are not Medicaid beneficiaries.

3.19 Inflation/Deflation

(a) A provision will be added to reasonable base period costs to provide for inflation/deflation between the base period and the prospective rate period. Changes in two factors will be used to develop this provision.

1. Average hourly earnings of manufacturing employees in New Jersey as published by the Bureau of Labor Statistics (weighted 60 percent);
2. The Consumer Price Index as published by the Bureau of Labor Statistics (weighted 40 percent).

(b) This inflation factor will be developed by the Medicaid program.

(c) Should the economic factor as developed for hospitals include a

NJ SPA LANGUAGE:

The State of New Jersey provides nursing facility rate supplements for purposes of improving the quality of patient care through the recruitment, retention and training of direct and indirect patient care staff at nursing facilities. The supplement is made in recognition of the considerable clinical and personal care needs of nursing facility residents and the need to recruit, train and retain qualified and dependable personnel. For purposes of establishing this supplement to the prospective per diem reimbursement rate for routine patient care expenses, the New Jersey Medicaid Program will provide a uniform per diem increase to the prospective payment rate for each day of care provided for an eligible Medicaid resident adjusted annually to take into account changing data. The aforesaid uniform per diem increase will be based upon the most recent available data.

PROPOSED ADDITIONAL LANGUAGE:

For State fiscal year 2005, the State will provide a uniform, supplemental increase of $9.91 in the Medicaid per diem reimbursement rate for the purpose explained above. This supplemental increase will be provided to all enrolled nursing facilities except Class II - governmental facilities.

For State fiscal year 2006, the process of developing the uniform, supplemental increase in the Medicaid per diem reimbursement rate will be as follows:

Determine the total amount available for improving the quality of nursing facility patient care by combining:

- the amount of funds provided by the State appropriation statute for improving the quality of nursing facility patient care; and

- the surplus or deficit of funds provided for the improvement of the quality of nursing facility patient care remaining from State fiscal year 2005.

Determine the uniform, supplemental increase in the Medicaid per diem reimbursement rate by:

- dividing the total amount available for improving the quality of nursing facility patient care by the number of Medicaid inpatient days for State fiscal year 2005 for all non-governmental nursing facilities.

This supplemental increase will be will be provided to all enrolled nursing facilities except Class II - governmental facilities.

No supplemental increases will be made to the Medicaid per diem reimbursement rates under this section after State fiscal year 2006.

STATE New Jersey DATE REC'D DATE APPV'D FEB 2 2 2005 DATE EFF JUL - 1 2004 HCFA 179	A

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DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-13-15
Baltimore, Maryland 21244-1850

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

Center for Medicaid and State Operations

FEB 15 2005

Mr. Roy Jeffus, Director
Division of Medical Services
Arkansas Department of Human Services
Post Office Box 1437
Little Rock, Arkansas 72203-1437

Attention: Carolyn Patrick, Slot S295

RE: Arkansas 04-15

Dear Mr. Jeffus:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 04-015. Effective December 3, 2004, the payment methodology for organ transplants is modified to remove the $150,000 limit on reimbursement.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A. Based upon the assurances provided, we are pleased to inform you that Medicaid State plan amendment TN 04-15 is approved effective December 3, 2004. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Billy Bob Farrell at (214) 767-6449.

Sincerely,

Bill Rosenblatt

for Dennis G. Smith
Director

Enclosures